JUSTIFICATION AND APPROVAL FOR EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity:

Department of Veterans Affairs Office of Acquisition Operations Technology Acquisition Center 260 Industrial Way West Eatontown, NJ 07724

Description of Action: The Department of Veterans Affairs (VA), Office of Acquisition
Operations, Technology Acquisition Center proposes to enter into a Firm-Fixed-Price
Delivery Order issued under the National Aeronautics and Space Administration (NASA)
Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition
Contract (GWAC) for Apple brand name products.

3. Description of Supplies or Services:

Description	Qty	Unit Price	Extended Price
17" MacBook Pro 2.4GHz Intel, antiglare, Core i7 8GB 1333MHz DDR3 SDRAM 750gb 7200 RRM, SuperDrive 8x, backlit keyboard	41	\$3,163.16	\$129,689.51
15" MacBook Pro 2.4GHz Intel, antiglare, Core i7 8GB 1333MHz DDR3 SDRAM 750gb 7200 RRM, SuperDrive 8x, backlit keyboard	5	\$2,550.66	\$12,753.32
13" MacBook Pro 2.8GHz Intel, antiglare, Core i7 8GB DDR3 SDRAM 750gb 5200 RRM, SuperDrive 8x, backlit keyboard	1	\$2,814.75	\$2,814.75
Mac Mini Lion Server, 2.0ghz quad core 8gb RAM dual 750gb hard drives	3	\$1,056.27	\$3,168.80
AppleCare Protection Plan for iPad, APPLE, CLIN:55852 COO:US	95	\$95.59	\$9,080.79
Auto-Enroll AppleCare Plan for 17" MacBook Pro, APPLE, CLIN:29351 COO:UNK	41	\$289.94	\$11,887.51
Auto-Enroll AppleCare Plan for 15" MacBook Pro, APPLE, CLIN:29351 COO:UNK	5	\$289.94	\$1,449.70
Auto-Enroll AppleCare Plan for 13" MacBook Pro, APPLE, CLIN:29351 COO:UNK	1	\$289.94	\$289.94
AUTOENROLL AppleCare Protection Plan for Mac Pro Mini (servers) (w /or w / o display), APPLE, CLIN:30149 COO:CA	3	\$224.86	\$674.57
iPhone 4S 32GB (Sprint)	4	\$799.99	\$3,199.96

iPhone 4S 32GB (AT&T)	9	\$799.99	\$7,199.91
iPhone 4S 32GB (Verizon)	9	\$799.99	\$7,199.91
IPAD 3 WI-FI A5X-Based iPad 32gb, 3g/4g connectivity BLACK - VERIZON- USA, APPLE, CLIN:58174 COO:CN	95	\$715.90	\$68,010.26
Apple Power-Supply Unit w/Magsafe	2	\$82.21	\$164.41
Macbook Pro mini DP to HDMI Adapter	47	\$15.29	\$718.63
Macbook Pro mini DP to VGA adapter	47	\$20.00	\$940.00
Macbook Pro mini DP to Digital adapter	47	\$20.00	\$940.00
Apple wireless bluetooth Keyboard Full- size	12	\$74.37	\$892.46
Apple Magic Mouse	26	\$70.81	\$1,841.01
DIGITAL AV ADAPTER-ZML, APPLE, CLIN:58189 COO:CN	26	\$41.90	\$1,089.47
Total			\$264,004.91

- 4. <u>Statutory Authority</u>: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 253J(b) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2), entitled "Exceptions to the fair opportunity process", only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized.
- 5. Rationale Supporting Use of Authority Cited Above: VA is currently developing mobile applications that will allow the beneficiary population to access VA services through mobile devices. In order to support the beneficiary population needs, VA must ensure that these mobile applications support both a wide variety of devices as well as operating systems. The development and testing on vendor specific products is required to meet VA standards for safety, quality, development, usability, evaluations, interoperability, and training. It is necessary to develop, test and evaluate the mobile device brands which are most commonly used by the target demographic in an effort to fully validate and verify the operability, usability, safety, and quality of the mobile applications currently being developed. In addition to these devices, VA has selected a variety of other mobile device brands which comprise the majority of the market share in an effort to test those mobile devices that are most widely used by our beneficiary population. The proposed Apple hardware (MacBook Pro, iMac, Mac mini, etc.) are specifically required for iPad application development. Apple does not license its mobile operating system, iOS, for installation on non-Apple products.
- 6. <u>Efforts to Obtain Competition</u>: Limited competition among resellers is anticipated for this acquisition. In accordance with FAR 16.505(a)(4)(iii)(A), this justification wll be provided along with the solicitation to all contract awardees. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.

- 7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.
- 8. Market Research: The Government's technical experts conducted market research by reviewing Apple's iOS, Android and HTML5-enabled devices. This market research was conducted in March of this year and is continuously being conducted. The Apple brand of mobile products has been identified as a primary target platform for VA's mobile applications endeavors because it commands a major portion of today's mobile device market. Due to Apples market share command, the Government Technical experts anticipate that many VA beneficiaries are and will be using Apple brand mobile devices and products. As previously stated, iOS is unique to Apple, therefore only Apple products can meet VA's needs.

VA Deputy Secretary signed a memorandum in July 2006 making the NASA SEWP GWAC a mandatory contract vehicle for all information technology acquisitions. Market research was conducted on NASA SEWP website to identify authorized resellers of Apple products in June 2012. Using the NASA SEWP manufacturer lookup tool, 14 authorized resellers were identified among Groups A, B, C and D. Eight (8) of resellers are large business in Groups A and D, five (5) resellers are small business in Group C, and one (1) reseller is a service-disabled veteran-owned small business in Group B. A request for quote will be issued to fully notify all vendors of this brand name requirement; however, quotes will only be accepted from Groups B and C in an effort to promote small businesses.

9. Other Facts: None

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Paul Mancini IT Project Manager

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable. The prices on the NASA SEWP contract have already been determined fair and reasonable. Additionally, this requirement will be competed among resellers, promoting price discounts. Finally, the lowest price quote that conforms to the solicitation will be compared to the Indepent Government Cost Estimate

David Nostrant

Date: 7-9-12 Signature:

Procuring Contracting Officer

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$650,000, the certification below required by FAR 16.505(b)(2)(ii)(C)(1) serves as approval.

David Nostrant

Procuring Contracting Officer